GOVERNEMNT OF ANDHRA PRADESH
A B S T R A C T

MA&UD Department – APUFIDC – AMRUT – Implementation of projects in the areas of Water Supply, Sewerage & Septage, Storm Water Drains and parks – Fund Support to ULBs for meeting ULB share – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G.O.RT.No. 175 Dated: 24-03-2020

Read the following:

1. G.O.Ms.No.74, MA&UD(UBS) Department, Dated:24.03.2016.
2. G.O.Ms.No.82, MA&UD(UBS) Department, Dated:03.03.2017.
3. G.O.Ms.No.116, MA&UD (UBS) Department, dated 28-03-2017.
4. G.O.Ms.No.168, MA&UD(UBS) Department, Dated:01.05.2017.
5. G.O.Ms.No.211, MA&UD(UBS) Department, Dated:24.05.2017.
6. G.O.Ms.No.323, MA&UD(UBS) Department, Dated:28.09.2017.
7. G.O.Ms.No.464, MA&UD(UBS) Department, Dated:27.12.2017.
8. G.O.Ms.No.85, MA&UD(UBS) Department, Dated:08.03.2017.
9. From the Managing Director, APUFIDC, Guntur, Letter No.1495/ APUFIDC /AMRUT/2015, dated 19.11.2019.

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Government of India launched Atal Mission for Rejuvenation and Urban Transformation (AMRUT) with an objective of providing basic services (e.g. water supply, sewerage, Parks & Green spaces etc.) to households and build amenities in cities that will directly improve the quality of life, especially for the poor and the disadvantaged which is a National Priority.

2. In the G.O. 3rd read above, Government have accorded permission to all the ULBs selected under AMRUT Scheme to utilize the 14th Finance Commission grants as ULBs matching contribution. On the proposal made by the MD, APUFIDC to provide an amount of Rs. 1197.37 Crores in the State Annual Budget towards fund support to the ULBs for speedy implementation of the project and to complete within Mission period. It has been directed to meet the said amount by taking loan from scheduled/Commercial Banks. Out of 32 ULBs, in 17 ULBs the AMRUT Gap fund of Rs.405.87 Crores can be met from 14th Finance Commission and other funds available with the ULBs and in remaining 15 ULBs, they do not have sufficient revenue sources. Hence, net AMRUT gap fund requirement arrived to Rs.791.50 Crores (1197.37-405.87).

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3. The Managing Director, APUFIDC has requested the Government to (a) To authorize APUFIDC to approach banks for obtaining loan for AMRUT gap funding of Rs.791.50 Cr. with 90% loan and 10% equity, (b) To permit to utilize the provision of Rs.100 Cr. made in the budget 2019-20 under CIIP for AMRUT gap funding as equity, and (c) Government to stand counter guarantee for the loan as there is lack of sufficient revenue sources in the ULBs. The Managing Director, APUFIDC has also requested for Government guarantee to obtain loan and for repayment of principal and interest amount of the loan obtained.

4. Government after careful examination of the matter hereby authorize the Managing Director, APUFIDC, Guntur to approach the banks for obtaining loan for AMRUT gap funding of Rs.791.50 crores with 90% loan and 10% equity subject to condition of that the Government Guarantee is extended as purely a bridge facility to enable obtaining of loans from Banks for AMRUT Gap funding with the clear understanding that the amount borrowed will constitute the 1st charge against any arrear amounts received under the ULB grant of the 14th Finance Commission & 15th Finance Commission ULB grant. The Loan documents also shall provide for suitable clauses for foreclosure without penalty, etc. & will require prior vetting of the Finance Department.

5. Government also permitted the Managing Director, APUFIDC, Guntur to utilize Rs.100.00 crores provided in the budget 2019-20 under CIIP for AMRUT gap funding.

6. The Managing Director, APUFIDC shall follow the guidelines of AMRUT Scheme and take necessary action accordingly.

7. This order issues with the concurrence of Finance (FMU.EFST, MAUD, CRDA) Department vide their U.O.No. FMU0ASD/305/2019 (Computer No: 1040197), dated 17-03-2020.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

J.SYAMALA RAO
SECRETARY TO GOVERNMENT

To
The Managing Director, APUFIDC, Guntur
Copy to
The Finance (FMU-EFS&T, MA&UD, CRDA) Department
The P.S. to the Additional Secretary to Hon'ble CM
The OSD to Hon'ble M (MA)
Sf/Sc

//FORWARDED BY ORDER//

SECTION OFFICER